GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

STARRED QUESTION NO:369
ANSWERED ON:17.04.2008
FARMERS TO FOLKS PROGRAMME
Meghwal Shri Kailash

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government has launched a public awareness programme named 'Farmers to Folks' to publicize importance of food processing industries at a large scale;

(b) if so, the outcome thereof alongwith the present status of the industry; and

(c) the details of the proposed programmes and schemes for making the food processing industries more effective and employment oriented?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (I/C)(SHRI SUBODH KANT SAHAI)

(a) to (c): A statement is laid on the Table of the House.

Statement referred to in reply to part (a) to (c) of Lok Sabha Starred Question No. 369 for answer on 17.04.2008 regarding Farmers to Folks Programme

(a) & (b): With a view to create awareness among the general public about the various aspects of processed foods, the Ministry of Food Processing Industries, under its Plan Scheme of Promotional Activities regularly carries out various public awareness activities. These are done in the form of media advertisements about the various Plan schemes and programmes implemented by the Ministry,consumer awareness of the advantages and conveniences of processed food and also various safety regulations governing food products.The Ministry also organizes/participates in Workshops,Seminars,Exhibitions/Fairs and provides financial support to eligible organizations to organize such events which are a very useful platform to spread awareness,exchange and share new ideas and new developments in the food processing sector as well as attract Domestic & Foreign Direct Investments.These events also serve as an important source of information for prospective entrepreneurs.

The Ministry has spent Rs.7.50 crores in 2006-07 & Rs.6.92 crores in 2007-08 on the Scheme of Promotional Activities.The Parliamentary Standing Committee for Demand for Grant has strongly recommended enhancing the budget allocation for this Scheme.

With increasing awareness, food-processing sector has shown significant growth during the recent past.The processing sector has grown @ 13.14% in 2006-07 against @7% in 2002-03. Micro,Small and Medium (MSME) Food Processing Units have gone up from 16.5 lakhs (2003-04) to 18 lakhs (2005-06) and 20 lakhs in 2006-07.It is expected to go upto 34 lakhs by end of 11th Five Year Plan.Large and Medium scale food processing units approved for setting up were 241 in 2003-04. This number has grown upto 270 units in 2005-06 (growth of 9.31%). Vision document prepared by the Ministry envisages to increase the level of processing of perishable food from 6% to 20%, value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015.Foreign Direct Investment in FPI sector also increased from Rs.177 crores in 2002-03 to Rs.441 crores in 2006-07.FPI sector provides employment to 13 million people directly and 35 million indirectly.Large and medium scale employment in FPI is growing at 25% per annum.The Budgetary allocation of the Ministry of Food Processing Industries has been increased from Rs.650 crores during the 10th Plan to Rs.4031 crores for the 11th Plan.

(c): The Ministry under its Plan Scheme for Technology Upgradation/Modernization/Establishment of Food Processing Industries extends financial assistance in the form of grant in aid for setting up/modernization/ upgradation of food processing industries.The Ministry also extends financial assistance for setting up Food Testing Labs,implementation of quality systems such as Hazard Analysis and Critical Control Point (HACCP),ISO 9000,Good Hygiene Practices(GHP) and Good Manufacturing Practices(GMP), promotion of Research and Development,Capacity building for Human Resource Development.

The Ministry also proposes to implement a revamped scheme in the 11th Plan for Infrastructure Development under which,it envisages giving enhanced financial assistance for setting up Mega Food Parks upto Rs.50 crores, cold chain infrastructure,value added centres,packaging centres upto Rs.10 crores & modernization of Abattoirs upto Rs.15 crores.The scheme will provide backward and forward linkages as well as a reliable and sustainable supply chain.

The Ministry got the Food Safety and Standards Act, 2006 enacted in August 2006.The Act will enable in removing multiplicity of food laws and regulatory agencies and will provide single window to food processing sector.

All these initiatives are expected to further boost the growth of food processing industries, which is one of the highest labour intensive industries of our economy.